



GREEN OCEAN CORPORATION BERHAD

[Registration No: 200301029847 (632267-P)]

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

**Unaudited Condensed Consolidated Statements of Comprehensive Income
 For the Period Ended 31 December 2020**

	Financial Quarter 3 Months Ended 31.12.2020 RM '000	Financial Period 6 Months Ended 31.12.2020 RM '000
Revenue	9,166	34,300
Cost of sales	<u>(8,859)</u>	<u>(33,843)</u>
Gross profit	307	457
Other income	58	72
Administrative expenses	<u>(1,058)</u>	<u>(1,522)</u>
Selling and distribution expenses	<u>(15)</u>	<u>(66)</u>
Other expenses	<u>-</u>	<u>-</u>
	<u>(1,073)</u>	<u>(1,588)</u>
Loss from operations	(708)	(1,059)
Finance costs	(144)	(281)
Share of result of joint venture	-	(2)
Loss before tax	(852)	(1,342)
Taxation	-	-
Net loss for the period	<u>(852)</u>	<u>(1,342)</u>
Net loss attributable to:-		
Owners of the Company	<u>(852)</u>	<u>(1,342)</u>
Total comprehensive loss attributable to:-		
Owners of the Company	<u>(852)</u>	<u>(1,342)</u>
Loss per share attributable to owners of the Company (sen)		
- Basic	<u>(0.27)</u>	<u>(0.43)</u>

There is no comparative for the financial quarter/period ended 31 December 2020. Due to the change in the financial year end from 31 March to 30 June, the Unaudited Condensed Consolidated Statement of Comprehensive Income for the current financial quarter/period ended 31 December 2020, being the second quarter of the financial year ending 30 June 2021, is not comparable with that of the second quarter of the previous financial period ended 30 June 2020.

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period 30 June 2020 and the accompanying explanatory notes attached to the interim financial report.

**Unaudited Condensed Consolidated Statements of Financial Position
 As At 31 December 2020**

	(Unaudited) As At 31.12.2020 RM '000	(Audited) As At 30.6.2020 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	18,567	18,832
Investment in joint venture	79	81
	18,646	18,913
Current assets		
Inventories	112	3,294
Trade receivables	12,547	10,174
Other receivables, deposits and prepayments	1,158	1,673
Tax assets	14	14
Investment in money market	85,053	-
Cash and bank balances	15,196	3,399
	114,080	18,554
TOTAL ASSETS	132,726	37,467
EQUITY AND LIABILITIES		
Equity		
Share capital	52,725	34,189
Revaluation reserve	8,930	8,930
Accumulated losses	(33,899)	(32,557)
Total equity	27,756	10,562
Liabilities		
Non-current liabilities		
Deferred tax liabilities	609	609
	609	609
Current liabilities		
Trade payables	5,117	4,218
Other payables & accruals	97,649	302
Bank borrowings	1,595	21,776
	104,361	26,296
Total liabilities	104,970	26,905
TOTAL EQUITY AND LIABILITIES	132,726	37,467
Net assets per share (Sen)	6.70	3.65

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial report.

GREEN OCEAN CORPORATION BERHAD

[Registration No: 200301029847 (632267-P)]

**Unaudited Condensed Consolidated Statements of Changes in Equity
As At 31 December 2020**

	<----- Attributable to Owners of the Company ----->			
	<----- Non-Distributable ----->		Distributable	
	Share	Revaluation	Accumulated	Total
	Capital	Reserve	Losses	Equity
	RM '000	RM '000	RM '000	RM '000
<u>Unaudited</u>				
At 1 July 2020	34,189	8,930	(32,557)	10,562
Comprehensive loss				
Loss for the period	-	-	(1,342)	(1,342)
Total comprehensive loss for the period	-	-	(1,342)	(1,342)
Transactions with owners				
Proceeds from private placement	19,302	-	-	19,302
Share issuance expense	(766)	-	-	(766)
Total transactions with owners	18,536	-	-	18,536
At 31 December 2020	52,725	8,930	(33,899)	27,756

GREEN OCEAN CORPORATION BERHAD
 [Registration No: 200301029847 (632267-P)]

**Unaudited Condensed Consolidated Statements of Changes in Equity
 As At 31 December 2020**

	<----- Attributable to Owners of the Company ----->			Total Equity RM '000
	Share Capital RM '000	Revaluation Reserve RM '000	Distributable Accumulated Losses RM '000	
Audited				
At 1 April 2019	34,189	8,930	(21,127)	21,992
Comprehensive loss				
Loss for the financial year	-	-	(11,430)	(11,430)
Total comprehensive loss for the financial year	-	-	(11,430)	(11,430)
Transactions with owners				
Proceeds from private placement	-	-	-	-
Share issuance expense	-	-	-	-
Total transactions with owners	-	-	-	-
At 30 June 2020	34,189	8,930	(32,557)	10,562

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial report.

Unaudited Condensed Consolidated Statements of Cash Flows
For the Period Ended 31 December 2020

	Financial Period 6 Months Ended 31.12.2020 (Unaudited) RM'000
Cash flows from operating activities	
Loss before tax	(1,342)
Adjustments for :-	
Depreciation of property, plant & equipment	269
Dividend income	(37)
Interest expense	281
Share of results in joint venture	2
	<hr/>
Operating loss before working capital changes	(827)
Changes in inventories	3,182
Changes in receivables	(1,858)
Changes in payables	98,246
	<hr/>
Cash generated from operations	98,743
Net tax paid	-
	<hr/>
Net cash from operating activities	98,743
Cash flows from investing activities	
Dividend received	37
Net investment in money market funds	(85,053)
Purchase of plant and equipment	(4)
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Net cash used in investing activities	(85,020)

GREEN OCEAN CORPORATION BERHAD

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**Unaudited Condensed Consolidated Statements of Cash Flows
For the Period Ended 31 December 2020**

	Financial Period 6 Months Ended 31.12.2020 (Unaudited) RM'000
Cash flows from financing activities	
Proceeds from private placement	19,302
Share issuances expenses paid	(766)
Interest paid	(281)
Net repayment of short term bank borrowing	(15,486)
Net cash from financing activities	2,769
Effects of exchange rate changes on cash and cash equivalents	-
Net increase in cash and cash equivalents	16,492
Cash and cash equivalents brought forward	(1,296)
Cash and cash equivalents carried forward	<u>15,196</u>
Represented by:-	
Cash and bank balances	15,196
Bank overdraft	-
	<u>15,196</u>

There is no comparative for the financial quarter/period ended 31 December 2020. Due to the change in the financial year end from 31 March to 30 June, the Unaudited Condensed Consolidated Statement of Cash Flows for the current financial quarter/period ended 31 December 2021, being the second quarter of the financial year ending 30 June 2021, is not comparable with that of the second quarter of the previous financial period ended 30 June 2020.

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial report.

**Explanatory Notes Pursuant to Malaysia Financial Reporting Standard 134
For 6 Months Ended 31 December 2020**

A1) Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with Malaysia Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”), Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial period ended 30 June 2020.

A2) Change of Financial Year End and Disclosure of Comparatives

In the previous year, the Group had changed its financial year end from 31 March to 30 June. Due to the change, the Condensed Consolidated Statement of Comprehensive Income and Condensed Consolidated Statement of Cash Flows for the current quarter ended 31 December 2020, being the second quarter of the current financial year ending 30 June 2021, is not comparable with that of the second quarter of the previous financial period ended 30 June 2020. As such, no comparative figures are presented

A3) Changes in Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial period ended 30 June 2020 except for adoption of the new Malaysian Financial Reporting Standards (“MFRS”), amendments to MFRSs and Issue Committees (“IC”) interpretation (collectively referred to as “pronouncements”): -

Amendments to references to the Conceptual Framework in MFRS Standards	
Amendments to MFRS 3	Definition of Business
Amendments to MFRS 7, MFRS 9 and MFRS139	Interest rate Benchmark Reform
Amendments to MFRS 101 and MFRS 108	Definition of Material

The adoption of these standards, amendments and interpretations did not result in significant changes in the accounting policies of the Group and had no significant effect on the financial performance or position of the Group.

**Explanatory Notes Pursuant to Malaysia Financial Reporting Standard 134
For 6 Months Ended 31 December 2020**

A3) Changes in Accounting Policies (Cont'd)

Standards in issue but not yet effective

As at the date of authorisation of this interim financial report, the following pronouncements have been issued by the MASB but are not yet effective and have not been adopted by the Group: -

MFRSs/Amendments to MFRSs/IC Interpretation	Effective for annual periods beginning on or after
MFRS 17 - Insurance Contracts	1 January 2021
Amendments to MFRS 10 Consolidated Financial Statements - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced
Amendments to MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The Group will adopt the above pronouncements when they become effective in the respective financial periods.

A4) Seasonal or Cyclical Factors

The Group's operations were not subject to any significant seasonal or cyclical factors.

A5) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

A6) Material Changes in Estimates

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect in the current quarter under review.

**Explanatory Notes Pursuant to Malaysia Financial Reporting Standard 134
For 6 Months Ended 31 December 2020**

A7) Debt and Equity Securities

Saved as disclosed below, there was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial period under review: -

- 1) On 26 August 2020, the Company completed a private placement exercise following the listing and quotation of 28,971,000 new ordinary shares on the ACE Market of Bursa Securities ("Private Placement I"). The Private Placement I has raised gross proceeds of approximately RM7.56 million, at issue price of RM0.2610 each.
- 2) On 11 November 2020, the Company completed a private placement exercise following the listing and quotation of 95,605,000 new ordinary shares on the ACE Market of Bursa Securities ("Private Placement II"). The Private Placement II has raised gross proceeds of approximately RM11.74 million, at issue price of RM0.1228 each.

A8) Dividend Paid

There was no dividend paid in the current quarter under review.

A9) Valuation of Property, Plant and Equipment

There was no valuation exercise conducted on the property, plant and equipment of the Group during the quarter under review.

A10) Material Events Subsequent to the end of the Financial Period

Save as disclosed below and elsewhere in the interim financial report, there were no material events subsequent to the end of the financial period up to the date of this report: -

- 1) On 4 January 2021, the Company completed a Rights Issue with warrants following the listing and quotation of 828,573,600 Rights Shares of RM0.10 each together with 621,430,198 Warrants B on the ACE Market of Bursa Securities.
- 2) Issuance of the following new ordinary shares at the respective dates pursuant to the exercise of Employees' Share Option Scheme: -
 - (a) 20,000,000 new ordinary shares were issued and listed on 5 February 2021.
 - (b) 30,000,000 new ordinary shares were issued and listed on 17 February 2021.
 - (c) 30,000,000 new ordinary shares were issued and listed on 19 February 2021.
 - (d) 60,000,000 new ordinary shares were issued and listed on 23 February 2021.

**Explanatory Notes Pursuant to Malaysia Financial Reporting Standard 134
For 6 Months Ended 31 December 2020**

A10) Material Events Subsequent to the end of the Financial Period (Cont'd)

- 2) Issuance of the following new ordinary shares at the respective dates pursuant to the exercise of Employees' Share Option Scheme: - (Cont'd)
 - (e) 60,000,000 new ordinary shares were issued and listed on 26 February 2021.
 - (f) 60,000,000 new ordinary shares were issued and listed on 5 March 2021.
- 3) On 23 March 2021, Ace Edible Oil Industries Sdn. Bhd. ("AEOI"), a wholly owned subsidiary of the Company had entered into a collaboration agreement ("Agreement") with Eco-Sponge Sdn. Bhd., a wholly-owned subsidiary of Fintec Global Berhad for the supply of biodiesel and biofuel related products to the end customers in Malaysia and any other countries mutually agreed by the parties from time to time.

A11) Changes in the Composition of the Group

There were no material changes in the composition of the Group for the current quarter and financial year-to-date other than as stated below.

On 30 July 2020, the Group incorporated a new wholly-owned subsidiary namely, G Rubber Sdn Bhd with the intention to carry out manufacturing and trading of gloves.

A12) Contingent Liabilities or Contingent Assets

The Group has no material contingent liabilities save for the corporate guarantees provided by the Company to financial institutions for credit facilities granted to subsidiaries. Total utilisation of these credit facilities as at 31 December 2020 amounted to approximately RM1,595,000.

There were no material contingent assets to be disclosed as at the date of this report.

A13) Capital Commitment

There were no capital commitments in the Group for the quarter under review.

A14) Related Party Transactions

There were no significant transactions with related parties during the current financial period.

**Explanatory Notes Pursuant to Malaysia Financial Reporting Standard 134
 For 6 Months Ended 31 December 2020**

A15) Fair Value Measurements

- (a) Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows: -

- Level 1: Input are quoted prices (unadjusted) in active market for identical assets and or liability that the entity can access at the measurement date;
 Level 2: Inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset and liability, either directly or indirectly; and
 Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event and change in circumstances that caused the transfer.

- (b) The following table provides the fair value measurement hierarchy of the Group's financial instruments: -

<---- Fair value of financial instruments ----> carried at fair value					
	Level 1	Level 2	level 3	Total	Carrying amount
	RM'000	RM'000	RM'000	RM'000	RM'000
Group - 31.12.2020					
Financial assets					
- Investment in money market	85,053	-	-	85,053	85,053

A16) Revenue

	Financial Quarter 3 Months Ended 31.12.2020 RM'000	Financial Period 6 Months Ended 31.12.2020 RM'000
Sales of:		
(i) Production and trading of palm kernel oil and palm kernel expeller	3,480	13,168
(iii) Trading of refined, bleached and deodorised olein	5,676	21,122
(iii) Trading of biomass material	10	10
	<u>9,166</u>	<u>34,300</u>
Goods or services transferred at a point in time	<u>9,166</u>	<u>34,300</u>

**Explanatory Notes Pursuant to Malaysia Financial Reporting Standard 134
For 6 Months Ended 31 December 2020**

A16) Segmental Information

The segmental information of the Group is presented by operating segments as follows: -

- (a) **Palm oil products** - palm kernel crushing, refining of palm oil and palm kernel oil and trading of refined palm oil products;
- (b) **Others** - Investment holding and trading of biomass and alternative material, energy and fuels and services, neither which are of a sufficient size to be reported separately.

Financial Period 6 Months Ended 31.12.2020

	Palm Oil Products RM'000	Others RM'000	Total RM'000
REVENUE			
External revenue	34,290	10	34,300
Inter-segment revenue	-	-	-
Total revenue	<u>34,290</u>	<u>10</u>	<u>34,300</u>
RESULTS			
Segment results	(514)	(545)	(1,059)
Interest expense	(281)	-	(281)
Taxation	-	-	-
Share of results in joint venture			<u>(2)</u>
Loss for the period			<u>(1,342)</u>

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2020**

B1) Review of Performance

As stated in Note A2, due to the change in the financial year end, the Group's performance for the current quarter and 6-month financial period ended 31 December 2020 is not comparable against any comparative period previously reported.

	Financial Quarter 3 Months Ended 31.12.2020 RM'000	Financial Period 6 Months Ended 31.12.2020 RM'000
Revenue		
Palm oil products	9,156	34,290
Others	10	10
	9,166	34,300
Loss before tax		
Palm oil products	(474)	(795)
Others	(378)	(545)
Share of result of joint venture	-	(2)
	(852)	(1,342)

Current Quarter

The Group achieved revenue of RM9.17 million for the current quarter ended 31 December 2020.

Revenue for the quarter under review mainly derived from trading of palm oil products. The Group continue to limit the trading activities in related palm oil products following the decision to reduce the Group's exposure due to the uncertainty post COVID-19 pandemic. As a result, there was a decrease in quantity of palm oil products sold.

The Group registered pre-tax loss of RM0.85 million for the current quarter ended 31 December 2020 mainly from finance cost from utilisation of bankers' acceptance, and compensation paid for the cancellation of land sale. Pre-tax loss in other segment mainly due to professional fees for corporate exercise during the quarter under review.

Cumulative Quarter

The Group recorded revenue of RM34.30 million for the financial period ended 31 December 2020. Due to impact of COVID-19 pandemic and uncertainty of the market price of Crude Palm Kernel Oil, the management decided to minimise the risk exposure by decreasing quantity of palm oil products sold.

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2020**

B1) Review of Performance (Cont'd)

Cumulative Quarter (Cont'd)

The Group registered a pre-tax loss of RM1.34 million for the current cumulative quarter. Pre-tax loss in palm oil products segment mainly due to slim gross profit margin from trading of palm oil products and finance cost from utilisation of bankers' acceptance. Other segment reported higher pre-tax loss mainly due to professional fees for on-going corporate exercises.

B2) Variation of Results against Immediate Preceding Quarter

	Current Quarter 31.12.2020 RM'000	Immediate Preceding Quarter 30.09.2020 RM'000	Changes	
			RM'000	%
Revenue				
Palm oil products	9,156	25,134	(15,978)	(64)
Others	10	-	10	100
	9,166	25,134	(15,968)	(64)
Loss before tax				
Palm oil products	(474)	(321)	(153)	48
Others	(378)	(167)	(211)	126
Share of result of joint venture	-	(2)	2	100
	(852)	(490)	(362)	74

The Group posted revenue of RM9.17 million for the current quarter ended 31 December 2020, which was 64% lower compare to RM25.13 million recorded in the preceding quarter ended 30 September 2020. The lower revenue was mainly due to the Group continue to reduce the trading activities in related palm oil products due to unpredictable of future development of Covid-19 pandemic.

The Group recorded pre-tax loss of RM0.85 million for the current quarter as compared to pre-tax loss of RM0.49 million recorded in the preceding quarter. Pre-tax loss was higher in palm oil products segment mainly due to compensation paid for the cancellation of the land sale. Lower finance cost mainly due to lower utilization of bankers' acceptance. Other segment reported higher pre-tax loss mainly due to professional fees for on-going corporate exercises during the quarter under review.

**Explanatory Notes Pursuant to the Listing Requirements
For 6 Months Ended 31 December 2020**

B3) Prospects

Malaysian government officially introduced the National Biofuel Policy in year 2006 with the objectives of utilizing environmentally friendly and sustainable energy sources to reduce dependency on fossil fuels and to help stabilize and further enhance palm oil prices. In line with the National Biofuel Policy, the Ministry of Plantation Industries and Commodities (MPIC) introduced a biodiesel program that covers the implementation and sale of biodiesel in the local transportation and industrial sectors.

Along with the government support for the implementation, production and research activities of biodiesel and biofuel, the Group has undertaken initiatives entered into collaboration agreement with Eco-Sponge Sdn. Bhd., a wholly-owned subsidiary of Fintec Global Berhad for the supply of biodiesel and biofuel related products to the end customers in Malaysia and any other countries mutually agreed by the parties from time to time. The management believes that this collaboration deems is in the best for the Group and also enable to strengthen the financial position of the Group.

The Group has announced its plans to venture into glove business, on 27 October 2020, the Group obtained its Shareholders' approval for the diversification into the Gloves Business. The Group plans to commission up to 12 double former glove-dipping lines in stages over the course of 36 months, subject to the demand of the rubber gloves moving forward and the performance of the Gloves Business. The glove business is expected to allow the Group to capitalise on a booming segment with favourable long-term prospects and is expected contribute to the future earnings of the Group as well as improve the Group's financial performance in the coming years.

Barring any unforeseen situation, the Group strive to achieve better performance and sustainable business growth in the coming year.

B4) Profit forecast or profit guarantee

Not applicable as the Group did not publish any profit forecast.

B5) Qualification of Annual Financial Statements

The preceding year annual audited financial statements were not subject to any qualification.

**Explanatory Notes Pursuant to the Listing Requirements
For 6 Months Ended 31 December 2020**

B6) Loss Before Tax

	Financial Quarter 3 Months Ended 31.12.2020 RM'000	Financial Period 6 Months Ended 31.12.2020 RM'000
Included in the loss before tax is after charging: -		
Depreciation of property, plant & equipment	134	269
Interest expense	144	281
Rental of equipment	1	3
	<hr/>	<hr/>

B7) Taxation

	Financial Quarter 3 Months Ended 31.12.2020 RM'000	Financial Period 6 Months Ended 31.12.2020 RM'000
Corporate tax expense	-	-
Deferred tax expense	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

No tax expense for the period under review mainly due to losses suffered by the subsidiaries and the Company.

**Explanatory Notes Pursuant to the Listing Requirements
 For 6 Months Ended 31 December 2020**

B8) Status of Corporate Proposals

Save as disclosed below, there were no other corporate proposals announced but not completed at the latest practicable date which is not earlier than seven (7) days from the date of issue of this interim financial report: -

- 1) On 26 August 2020, the Company completed Private Placement Exercise I following the listing and quotation of 28,971,000 new ordinary shares at issue price of RM0.2610 each on the ACE Market of Bursa Securities. The Company raised cash proceeds of RM7.56 million and the summary of the utilisation of proceeds up to 30 March 2021 are as follows: -

Purpose	Proposed utilisation RM'000	Amount utilised RM'000	Balance unutilised RM'000	Estimated time frame for the utilisation of proceeds
Repayment of bank borrowings	3,000	(3,000)	-	Within 6 months
General Working capital	4,361	(2,321)	2,040	Within 12 months
Estimated expenses for the corporate exercise	200	(200)	-	Within 1 month
Total	7,561	(5,521)	2,040	

- 2) On 11 November 2020, the Company completed Private Placement Exercise II following the listing and quotation of 95,605,000 new ordinary shares at issue price of RM0.1228 each on the ACE Market of Bursa Securities. The Company raised cash proceeds of RM11.74 million and the summary of the utilisation of proceeds up to 30 March 2021 are as follows: -

Purpose	Proposed utilisation RM'000	Amount utilised RM'000	Balance unutilised RM'000	Estimated timeframe for the utilisation of proceeds
Repayment of bank borrowings	11,675	(11,675)	-	Within 6 months
Estimated expenses for the corporate exercise	65	(65)	-	Immediate
Total	11,740	(11,740)	-	

**Explanatory Notes Pursuant to the Listing Requirements
For 6 Months Ended 31 December 2020**

B8) Status of Corporate Proposals (Cont'd)

- 3) On 4 January 2021, the Company completed a Rights Issue with Warrants exercise following the listing and quotation of 828,573,600 new ordinary shares of RM0.10 each together with 621,430,198 Warrants B. The Company raise cash proceeds of RM82.86 million and the summary of the utilisation of proceeds up to the date of this interim financial report are as follows: -

Purpose	Proposed utilisation RM'000	Amount utilised RM'000	Balance unutilised RM'000	Estimated timeframe for the utilisation of proceeds
Repayment of bank borrowings	7,300	(7,300)	-	Within 6 months
Refurbishment of existing factory building for the gloves business	15,000	-	15,000	Within 12 months
Capital expenditure for the gloves business	41,100	-	41,100	Within 36 months
Working capital for the gloves business	18,557	-	18,557	Within 24 months
Estimated expenses for the corporate exercise	900	(900)	-	Immediate
Total	82,857	(8,200)	74,657	

B9) Material Litigation

There were no material litigations against the Group as at the date of the interim financial report. The directors of the Group do not have any knowledge of any proceeding pending or threatened against the Group which might materially and adversely affect the financial position or business of the Group.

**Explanatory Notes Pursuant to the Listing Requirements
For 6 Months Ended 31 December 2020**

B10) Borrowings and Debts Securities

	Non-Current RM'000	Current RM'000	Total RM'000
As at 31.12.2020			
<u>Secured</u>			
Banker acceptances	<u>-</u>	<u>1,595</u>	<u>1,595</u>
			31.12.2020
			%
The weighted average interest rate are as follows:			
Banker acceptances			2.65%
Bank overdraft			<u>5.95%</u>
Proportion of borrowing between:			
Fixed interest rates			100%
Floating interest rates			<u>0%</u>

All the borrowings are denominated in Ringgit Malaysia.

B11) Other payables and accruals

	31.12.2020 RM'000
Other payables	97,177
Accruals	<u>472</u>
	<u>97,649</u>

Other payables mainly from payment for Rights Shares with Warrant B. The Company had received valid acceptances and excess applications for a total of 971,563,150 Rights Shares at an issue price of RM0.10 per Rights Shares, amounted to RM97.16 million. The Rights Issue with Warrants has been completed on 4 January 2021.

B12) Dividend

There was no dividend declared or paid for the current period under review.

**Explanatory Notes Pursuant to the Listing Requirements
For 6 Months Ended 31 December 2020**

B13) Loss per Share

The basic and diluted loss per share are computed as follows: -

	Financial Quarter 3 Months Ended 31.12.2020 RM'000	Financial Period 6 Months Ended 31.12.2020 RM'000
Loss attributable to the owners of the	(852)	(1,342)
Weighted average number of Ordinary	309,975	309,975
Basic and diluted loss per share (sen)	<u>(0.27)</u>	<u>(0.43)</u>

By Order of the Board

WONG YUET CHYN (MAICSA 7047163)
Company Secretary
Kuala Lumpur
30 March 2021